

STATEMENT

WORLD BANK CONSULTATIONS AND NEOLIBERAL REFORMS

The signatory organizations are concerned about the impact of the relationship between the World Bank Group (WBG) and our country in the Peru Partnership Framework 2017-2021 process. In 2015, our organizations participated in the alternative event to the Annual Meeting of the World Bank and IMF under the motto "Refuting the Peruvian Miracle". At that time, there was warning of reforms, standard cuts and institutional conditions for environmental and social issues of multilateral banking.

In this scenario, the current government has been implementing macroeconomic reactivation actions, with regulatory changes through the granting of legislative powers to the Executive Branch. As a result, between December 2016 and January of this year, 112 Legislative Decrees have been issued; 65 of which are focused on economic reactivation. In some of them, there is a setback in the matters of indigenous peoples' rights, transparency and access to information, territorial security, flexibilization of mining regulations, the right to water, informal mining, and labor flexibility, among others.

This normative avalanche is not an isolated gesture; a similar scenario occurred in the previous government with the so-called *paquetazos ambientales* (environmental packages). Law No. 30230, promoted by the World Bank as a **"prior action" to the approval of a DPL**¹, identified as harmful to environmental institutionality. This law involved cutting the OEFA's supervisory powers, reducing or giving amnesty to infraction fines, preventing the punishment of companies in favor of corrective measures, and imposing infrastructure businesses affecting indigenous rights.

The WBG also financed the PPP (Public-Private Partnership) framework law, within the framework of the DPL on public expenditures and financing policy for the development of fiscal risk management, which promotes foreign investment in infrastructure megaprojects through PPP that generate risks of fiscal deficit, socio-environmental impacts, among others. In line with this policy, L.D. 1251 reforms the PPP legislation and the structure of ProInversión in order to accelerate the project promotion process. These processes are also surrounded by superpowers of territorial expropriation led by a new bureaucracy, the APIP (Private Investment Promotion Agency) attached to ProInversión (which in turn depends on the Ministry of Economy and Finance - MEF) created by L.D. 1333.

The economic policy conditionality of the loans offered by the WBG, coupled with such sensitive functions as that of indicating which countries should receive more or less financial resources from both public and private sources, has allowed them to impose structural reforms. These reforms derive from the "Washington Consensus", to the austerity policies to deal with the current economic crisis that the world is experiencing and which, at the time, they did not help to predict. The application of these measures provoked the precariousness of work and has not been a solution to the great work informality, the loss of the right to universal access to basic health services and education and prioritized the interests of the market over that of the people. Such consensus along with the austerity policies are responsible for the increase of the exclusion and the inequality at global level and especially in Latin America.

The WBG is currently developing its Country Partnership Framework Strategy for Peru, which is why the signatory organizations consider it advisable to warn about the potential impacts of Legislative Decrees issued in recent months. In that sense, we reject the normative changes promoted by the Peruvian Government as they further weaken the institutionality and the role of the State, especially the environmental, social and transparency and access to information roles.

The changes must be supported or promoted by international strategies and / or standards. Likewise, the processes of participation and transparency implemented properly by convening the organized actors of civil society be they workers, indigenous peoples, among others.

We recognize that investments are important for the country's development, as long as they are for the people's benefit, and not to favor large transnationals that profit and corrupt government officials and political parties. That is why we will not allow them to be based on regulatory flexibilization.

The role of multilateral banking is to support political, social and economic reforms for national development. On the contrary, making the socio-environmental controls flexible to have sustainable investments, has failed. Law 30230 promised greater investment, without success, because Peru, since 2011 has placed 67 in the ranking of competitiveness Doing Business, so there is no proven effect on the

¹ Development Policy Loan.

dynamization of investments. Where there are indicators is in the increase in social unrest, environmental emergencies, social costs and corruption associated with the lack of transparency in large infrastructure projects.

Therefore, we request:

1. Have the opportunity to know and comment on the draft Framework of Partnership between the World Bank and the Government of Peru before it is finalized; For which we request that it be available publicly, so that the interested parties have the necessary time to offer their feedback.
2. The WBG must be accountable at all times to the citizens of its operations. The voices of society must have a relevant space in these institutions and not only two annual meetings, and must have specific mechanisms to ensure the participation and monitoring of indigenous peoples, workers.
3. The WBG assumes its responsibility in the fight against illegal financial flows by promoting transparency mechanisms for transnational corporations to pay the corresponding taxes in the territories where they obtain income. The attraction of foreign investments should not be based on stimulus and tax exemptions.
4. It is necessary that gender equality is considered as a principle of the full exercise of the human rights of women and girls, including sexual and reproductive rights and economic autonomy, in all policies and mechanisms of financial institutions.
5. It is essential to consider the indigenous and social monitoring of investment in WBG interventions, especially regarding the oil pipeline not included in D.L. 1292.
6. Likewise, to encourage countries that wish to receive loans to provide legal protection for sexual orientation, gender identity and other vulnerable sectors of the population. The WBG should include an explicit reference to non-discrimination and gender identity and expression, as well as to sexual orientation (crosswise) in its operational policies.
7. The WBG should promote respect for countries' labor laws and decent work. In Peru, labor standards and respect for workers' rights have been undermined in recent years, and the WBG in the new Partnership Framework with Peru should focus on strengthening workers' labor rights and not making the rules in favor of large investors more flexible.
8. The WBG should promote and ensure that the national framework of transparency and access to public information in the country is not weakened, as has happened with the current government through L.D. No. 1353. Bearing in mind also that the WBG has been supporting international transparency initiatives in extractive industries such as the EITI.
9. The WBG should reduce pressure on forests and the people who depend on forests, biodiversity and carbon stocks. It must increase its coherent role in the fight against climate change, especially in forest-covered areas; which implies that the current funds it administers must have better management, to not duplicate efforts and to correct the traffic of mining concessions promoted by L.D. 1336 and the deregulation of timber concessions of L.D. 1283.
10. To achieve this through the support of the WBG to the state investment in indigenous collective territorial titling; holistic management of resources; the implementation of the Indigenous REDD+ and plans of climatic adaptation with indigenous women plying a central role.
11. We also believe it is important for the WBG to ensure better energy planning, where renewable energies are clearly and timely financed and subsidies for fossil fuels are reduced.
12. The WBG should no longer promote policies for the privatization of public services, nor socio-environmental flexibilization in any country in the world. PPPs should be studied on a case-by-case basis, and not imposed as a dogma. Assessing the costs for the popular sectors and the precariousness of the work, the impacts it generates and establishing mechanisms of transparency in the contracts in order to facilitate citizen monitoring.
13. The WBG must change the socio-environmental flexibilization that has brought with it the

change of its environmental and social standards for public and private investments. This flexibilization will lead to socio-environmental conflicts, such as those recently experienced in the region, especially in Peru, in mining projects such as the project Las Bambas, where management tools are being implemented without adequate environmental management and citizen participation (e.g., Supporting Technical Report (ITS in Spanish)).

14. Considering this national (and international) trend, it is important that the WBG strengthens clear procedures for assessing the environmental and social risks of its projects and not to leave these processes in the hands of States.
15. The WBG should respect and comply in all its operations and policy recommendations with the ILO conventions and recommendations, particularly regarding the promotion of decent and dignified work.
16. It is necessary that the participation and the processes of citizen and indigenous consultations are really broad and inclusive processes. This will allow and ensure prior and culturally appropriate access to the information, rather than promoting secrecy that comes with the L.D. 1353.

Signatories:

1. Alianza Internacional de Habitantes.
2. Alianza Mexicana contra el Fracking.
3. Asociación Arariwa.
4. Asociación Civil Eco Raíces (Argentina).
5. Asociación Cocama de Desarrollo y Conservación San Pablo de Tipishca – ACODECOSPAT.
6. Asociación Gilberto Bosques.
7. Asociación Interétnica de Desarrollo de la Selva Peruana – AIDESEP.
8. Asociación Nacional de Centros – ANC.
9. Asociación, Ambiente y Sociedad – AAS (Colombia).
10. Bank Information Center - BIC.
11. Centro Amazónico de Antropología y Aplicación Práctica – CAAAP.
12. Centro de investigación, documentación y asesoría poblacional – CIDAP.
13. Centro Humboldt (Nicaragua).
14. Centro para el Desarrollo del Indígena Amazónico – CEDIA.
15. Centro Peruano de Estudios Sociales – CEPES.
16. CEPIS – Proyecto Amigo.
17. Climate Action Network Latin America – CAN-LA.
18. Comisión Interdisciplinaria de Medio Ambiente – CIMA (Argentina).
19. Comunidades Campesinas y Urbanas Solidarias con Alternativas (COMCAUSA A.C.).
20. Confederación General de Trabajadores del Perú – CGTP.
21. Confederación Intersectorial de Trabajadores Estatales del Perú – CITE.
22. Confederación Nacional Agraria – CNA.
23. Consejo Machiguenga del río Urubamba – COMARU.
24. CooperAcción.
25. Coordinadora Regional de Pueblos Indígenas de San Lorenzo - CORPI-SL.
26. Derecho, Ambiente y Recursos Naturales – DAR.
27. Derechos Humanos y Medio Ambiente.
28. Environmental Investigation Agency – EIA.
29. Federación Nacional de Trabajadores del Sector Salud - FENUTSSA.
30. Federación Nacional de Trabajadores en las Universidades del Perú – FENTUP.
31. Federación Nacional de Trabajadores Municipales del Perú – FETRAMUNP.
32. Foro del Buen Ayre (Argentina).
33. Foro Juvenil de Izquierda.
34. Forum Solidaridad Perú.
35. Freshwater Action Network – FAN.
36. Fundación para el Desarrollo de Políticas Sustentables – FUNDEPS.
37. Grupo de Financiamiento Climático para América Latina y el Caribe – GFLAC.
38. Grupo Propuesta Ciudadana – GPC.
39. ILLA - Centro de Educación y Comunicación.
40. Instituto de Defensa Legal del Ambiente y el Desarrollo Sostenible – IDLADS.
41. International Work Group for Indigenous Affairs – IWGIA.

42. Koepel van de Vlaamse Noord-Zuidbeweging – 11.11.11.
43. La Asamblea Veracruzana de Iniciativas y Defensa Ambiental (LAVIDA).
44. Organización Nacional de Mujeres Indígenas Andina y Amazónicas del Perú – ONAMIAP.
45. Organización Regional AIDSEP Ucayali – ORAU.
46. Organización Regional de los Pueblos Indígenas de la Amazonía Norte del Perú - ORPIAN-P.
47. Organización Regional de Pueblos Indígenas del Oriente – ORPIO.
48. Pobladores (México).
49. Red Latinoamericana sobre las Industrias Extractivas – RLIE.
50. RED MUQUI.
51. Salud Preventiva Andina.
52. Servicios en Comunicación Intercultural Servindi.